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OFFICE OF THE
EXECUTIVE SECRETARY

April 22, 1999

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TN REGULATORY AUTHORITY

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BLED SOE 
TELEPHONE
COOPERATIVE INC.

Mr. David Waddell
Executive Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243

99-00304

Dear Mr. Waddell:

Enclosed is an original and 13 copies of Bledsoe Telephone Cooperative's IntraLATA Toll Dialing Parity Implementation Plan. Also enclosed is a check for the filing fee of \$25.

This plan is being filed in accordance with the April 6, 1999 request from Joe Werner Telecommunications Chief, regarding the Federal Communications Commission Order in the matters of Docket No. 96-98 (Implementation of the Local Competition Provisions of the Telecommunications Act of 1996).

Respectfully submitted,

Gregory L. Anderson

Gregory L. Anderson
General Manager

P.O. Box 609
203 Cumberland Avenue
Pikeville, Tennessee 37367

(423) 447-2121

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c: file
enclosures

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**INTRALATA TOLL
DIALING PARITY
PLAN**

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OFFICE OF THE
EXECUTIVE SECRETARY

**Bledsoe Telephone Cooperative, Inc.
Pikeville, Tennessee**

April 22, 1999

I. Purpose

Bledsoe Telephone Cooperative, Inc. (Bledsoe) has described herein the process for implementing intraLATA toll dialing parity in the Bledsoe exchanges located in the state of Tennessee. The intent of this Plan is to provide a proposal that, upon implementation, would provide customers the ability to select the participating telecommunications carrier of their choice for routing their intraLATA toll calls.

Bledsoe Telephone Cooperative, Inc. has been advised that even though it is not classified and has specifically been excluded as a utility under the laws of the state of Tennessee, that under the rules and regulations of the Federal Communications Commission, it is considered a LEC, and the Federal Communications Commission ("FCC") has directed that no later than April 22, 1999, all LECs must file intraLATA toll dialing parity plans with the State Regulatory Commission (in Tennessee, the Tennessee Regulatory Authority) for each state in which the LEC provides telephone exchange service if a plan has not yet been filed with such state commission. Bledsoe has not heretofore filed such a plan.

II. IntraLATA Environment

Bledsoe customers in Tennessee in the Bledsoe area can currently dial an access code to complete intraLATA toll calls to another carrier. After implementation of the intraLATA toll dialing plan, customers will be able to subscribe to the carrier of their choice for intraLATA as well as interLATA service (two-PIC subscription capability). Customers will dial 1+ the area code and number to complete calls using their subscribed carrier. If customers wish to complete a call using a carrier other than their subscribed carrier, they will need to dial the carrier's access code.

Each end office switch will be equipped with the capability of allowing each end user subscriber to select "no-PIC" as a valid intraLATA subscription selection. Customers selecting "no-PIC" as their subscribed carrier will not be able to make intraLATA toll calls on a 1+ or 0+ dialed basis. Such customer will need to dial an access code each time he or she makes an intraLATA call.

In 1992, toll-free intraLATA county-wide calling was initiated for all Local Exchange Carriers via an order from the Tennessee Public Service Commission. BellSouth currently maintains tax-code billing tables to identify "free-county-wide" intraLATA toll calls originated by Bledsoe intraLATA toll customers and to ensure that billing does not occur on these calls. Bledsoe will continue to process toll-free intraLATA county-wide calls in this manner for toll customers after implementation of intraLATA toll dialing as long as technically feasible.

III. Implementation Schedule

The Company will implement toll dialing parity, subject to TRA's approval of this IntraLATA Toll Dialing Parity Plan, as outlined below:

III. Implementation Schedule (continued)

The steps are as follows:

- a. Provide notification a minimum of two months prior to the conversion to intraLATA 1+ toll dialing parity to all those toll/interexchange carriers which presently offer Feature Group D service in the applicable end offices.
- b. Notify subscribers of the availability of intraLATA toll dialing parity not less than thirty (30) days prior to conversion. (Implementation end date). The generic customer notification follows as Attachment A.
- c. Initially assign all subscribers to the designated toll/interexchange carrier, subject to receipt of a request to the contrary from a customer, or a "Letter of Agency" (LOA) from an authorized toll/interexchange carrier. An IXC may not forward LOAs to the Company earlier than thirty (30) days prior to the customer conversion date. Letter of Agency contacts shall only be honored from those toll/interexchange carriers first executing an LOA Agreement which, among other things, acknowledges the toll/interexchange carrier's obligation to follow federally prescribed rules.
- d. Customers that are provided local service subsequent to the implementation of intraLATA 1+ toll dialing parity, will be able to select an intraLATA toll/interexchange carrier using the same procedure currently followed to select an interLATA interexchange carrier.

IV. Carrier Selection Procedures

Bledsoe will implement the full Two-PIC (Primary Interexchange Carrier) carrier selection methodology. With the full two-PIC methodology, customers will be able to subscribe to one telecommunications carrier for interLATA toll calls and subscribe to the same or a different participating telecommunications carrier for all intraLATA toll calls. Orders for changes will be accepted and processed beginning on the implementation date.

Bledsoe employees who communicate with the public, accept customer orders, and serve in customer service capacities will be trained to explain to customers the process for making PIC changes for intraLATA toll calls. Business Office personnel and the Customer Records system will be prepared to make changes in customer records based upon requests from customers or carriers and direct customers to their chosen intraLATA carriers. Processes will be in place to provide new customers with an opportunity to choose their intraLATA toll carrier from a list of available carriers.

IV. Carrier Selection Procedures (continued)

Existing Customers

Currently, the Local Exchange Carrier is the only subscribed intraLATA toll provider for existing customers in Bledsoe's local exchange area. In accordance with the implementation schedule, customers may subscribe to any telecommunications carrier offering intraLATA toll service in their exchange. Customers will remain with the Local Exchange Carrier until they affirmatively choose an intraLATA toll carrier. Customers may make this selection through their own initiative or as a result of the promotional marketing activities of participating intraLATA toll telecommunications carriers. Customers may communicate their choice of carriers to Bledsoe directly or through their selected carriers.

Customers will be assessed a PIC change charge for changing their intraLATA carrier at a rate of \$5.00. When customers request a simultaneous change to the same carrier for their interLATA and intraLATA service, Bledsoe will assess two PIC charges, one from the interstate tariff and one from the intrastate tariff.

New Installation Customers

Bledsoe customer contact representatives will be provided discussion guidelines that will provide a new customer with the following information:

1. Inform the customer that a choice of intraLATA toll providers is now available to him or her.
2. Offer to read the customer a list of available carriers in randomly generated order.
3. Advise the customer that various carriers provide intraLATA toll service.

Customers who do not make a positive choice for an intraLATA toll carrier will be notified that they will not be automatically defaulted to a carrier and will be required to dial an access code to place intraLATA toll calls until they make an affirmative choice for an intraLATA toll carrier.

PIC Charge Waiver Period

Customers will be given a period of ninety (90) days within which to make one change of their preferred carrier at no cost to the customer. This waiver period will begin on the date of customer notification. The costs associated with this waiver will be recovered through the general cost recovery mechanism.

V. Customer Education/Notification

Customers will receive information explaining their opportunity to select an intraLATA carrier a minimum of 30 days in advance of the offering of intraLATA toll dialing parity via a bill message. In addition, during the 30 days following implementation of intraLATA toll dialing parity, customers will receive a bill insert also explaining their opportunity to select an intraLATA carrier. Bledsoe anticipates that promotional strategies by carriers will contribute to customer awareness of intraLATA toll dialing parity. Customer telephone directories will be updated as new editions are published to reflect the opportunity for customers to choose an intraLATA toll carrier.

VI. Carrier Notification

Current interexchange carriers will be notified of Bledsoe intraLATA toll dialing parity approval via Certified U.S. Mail two months prior to implementation. Carriers that currently participate in interLATA toll will be assumed to be participants in the intraLATA toll market. Certified carriers who enter the market after implementation will be added to the list of participating carriers within 30 days of notifying Bledsoe.

VII. Operator Services and Directory Assistance

Access to Operator Services and Directory Assistance will continue to be available through the customer's local exchange carrier or interLATA carrier. No industry standard exists for access to Operator Services and Directory Assistance unique to intraLATA services. For Operator Services, customers dial "0" to reach their local exchange operator and "00" to reach their interLATA operator. For Directory Assistance, customers dial "1-411" for accessing the local exchange Directory Assistance and dial "1-NPA-555-1212" for accessing their interLATA carrier's Directory Assistance.

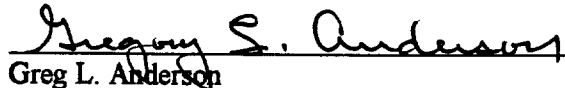
VIII. Cost Recovery

In accordance with 51.215 of FCC Order 96-333, CC Docket No. 96-98, cost recovery for the incremental cost of dialing parity, specific switch software, and necessary hardware and signaling system upgrades, and customer education costs that are strictly necessary to implement dialing parity, will be implemented in a competitively neutral manner across all providers of telephone exchange service and telephone toll service in the area served by Bledsoe. Incremental costs will be recovered from all carriers through a rate element based upon originating intrastate intraLATA switched access minutes of use (MOUs) during the four (4) year cost recovery period. Attached, as Exhibit B, is a detailed explanation of the Cost Recovery methodology. An annual true-up will be conducted and reported to the TRA.

IX. Statement of Compliance

Bledsoe Telephone Cooperative, Inc. will comply with all rules of the Federal Communications Commission and the Tennessee Regulatory Authority.

Executed as of the 22nd Day of April, 1999

A handwritten signature in cursive script, reading "Gregory S. Anderson", is written over a horizontal line.

Greg L. Anderson

General Manager of the Bledsoe Telephone Cooperative, Inc.

203 Cumberland Avenue

P. O. Box 609

Pikeville, TN 37367

Phone: (423) 447-2121

BILL MESSAGE

"Bledsoe will implement local toll 1+ subscription service on July 22, 1999. You are now able to choose a local toll provider. Your current carrier will continue to provide this service for you or you may select another carrier. You may select the same provider as your interstate long distance service provider or you may select a different provider for each service. Your first selection prior to October 22, 1999 will be at no charge.

NEWSLETTER

IMPORTANT NOTICE ABOUT LOCAL TOLL SERVICE

"As of July 22, 1999, you are able to choose your provider of "1+" local toll service. This change allows you to remain with your current carrier or select a different long distance carrier for local toll calls. Please refer to the information pages in the front of your Bledsoe Telephone Directory under "Long Distance-Calling Area" for a description of your local toll calling area.

If you would like to select a different carrier for your "1+" local toll service, you should contact that company. No action is necessary to keep your current provider for these local toll calls.

From July 22, 1999 until October 22, 1999 you will be able to change your local toll carrier one time without charge. There may be a charge for each subsequent change you make in local toll companies."

**TENNESSEE
METHODOLOGY FOR RECOVERY OF COSTS
ASSOCIATED WITH
IMPLEMENTATION OF INTRALATA SUBSCRIPTION
CALCULATION OF INITIAL EQUAL ACCESS RATE ELEMENT**

Step 1: Identify the estimated total incremental costs directly attributable to the provisioning of IntraLATA Subscription. Incremental costs include the following items:

- a) network hardware upgrades to provide the full 2-PIC methodology in all exchanges
- b) central office software upgrades
- c) software translations
- d) system programming/testing
- e) training for Business Office, Marketing, Carrier Services, Customer Services, and Service Center personnel
- f) customer notification (bill message, newsletter and special mailing)
- g) implementation activity - administrative costs
- h) PIC change charge waiver

\$XXX

Step 2: Identify estimated total originating Intrastate/IntraLATA minutes of use for the 4 year recovery period.

XX,XXX,XXX

Step 3: Calculate a cost recovery rate by dividing amount in Step 1 by the Minutes of Use in Step 2.

\$0.000XXX

ANNUAL TRUE-UP OF EQUAL ACCESS RATE ELEMENT

Repeat Steps 1 through 3 and calculate an updated access rate element by dividing amount in Step 1, adjusted by the previous year/years cost recovery.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and exact copy of the within and foregoing petition on behalf of Bledsoe Telephone Cooperative, Inc. via United States Mail, first class postage prepaid, and properly addressed to the following:

AT&T Communications

Gary Andraza, Assistant Vice President
Government Affairs
511 Union Street, Suite 700
Nashville, TN 37219
(615) 242-2815

BellSouth Telecommunications, Inc.

Guy M. Hicks
333 Commerce Street, Suite 2101
Nashville, TN 37210-3300
(615) 214-6301

Ben Lomand Communications, Inc.

Joe C. Roper, President
212 Hillsboro-Viola Rd.
Hillsboro, TN 37342
(931) 668-1010

Citizens Communications

J. Michael Swatts
State Regulatory Director-South
300 Bland Street
P. O. Box 770
Bluefield, WV 24701
(304) 325-1216

Frontier Communications Services

Scott Nichols, Senior Manager
Regulatory Affairs
1990 M. Street, N.W., Suite 500
Washington, D.C. 20036
(202) 293-0593

IGC Telecom Services, Inc.

Michael McCaw
315 Deaderick Street, Suite 2150
Nashville, TN 37238
(615) 251-4440

MCI Telecommunications Corporation

Kathy Pounds, Director
Law and Public Policy
780 Johnson Ferry Road, Suite 700
Atlanta, GA 30342
(404) 250-5500

Sprint Communications Company, L.P.

Tony Key, Director
State Regulatory
3100 Cumberland Circle
Atlanta, GA 30339
(404) 649-5144

This 22 day of April, 1999.


Greg L. Anderson, General Manager
Bledsoe Telephone Cooperative, Inc.